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GREB

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# GREB INDUSTRIES LIMITED / ANNUAL REPORT 1971





## ANNUAL MEETING

The annual meeting of shareholders will be held at the head office of the Company, 51 Ardelt Avenue, Kitchener, Ontario, at 2:00 p.m. E.S.T. on March 16, 1972.

## CONTENTS

|  | Page |
|--|------|
| Highlights of the Year .....                     | 2    |
| President's Report .....                         | 3    |
| Consolidated Financial Statements .....          | 4    |
| Auditors' Report .....                           | 8    |
| Ten Year Operating<br>and Financial Review ..... | 9    |
| Operating Progress .....                         | 10   |

# officers

Harry D. Greb,  
*President*

Charles E. Greb,  
*Executive Vice-President*

John D. Campbell,  
*Vice-President, Marketing*

Ross E. Hahn,  
*Vice-President, Manufacturing*

Arnold C. Austen, C.A.,  
*Vice-President, Finance*

Arthur C. Greb,  
*Secretary*

George A. Klugman,  
*Treasurer*

# directors

Arnold C. Austen, C.A.

John D. Campbell

Arthur C. Greb

Charles E. Greb

Harry D. Greb

Ross E. Hahn

Roland A. Harris, O.B.E.

Carl F. Ritz, F.S.A.

David C. H. Stanley

## HEAD OFFICE

51 Ardelt Avenue,  
Kitchener, Ontario

## TRANSFER AGENT & REGISTRAR

Canada Permanent Trust Company

## AUDITORS

Thorne, Gunn, Helliwell & Christenson

# highlights of the year

|   | <u>1971</u> | <u>1970</u> |
|---|-------------|-------------|
| <b>OPERATING RESULTS</b>                      |             |             |
| <i>Fiscal Years Ended</i>                     | October 30  | October 31  |
| Net income .....                              | \$ 469,063  | \$ 476,525  |
| Per share — Class C and common .....          | .65         | .67         |
| Dividends declared — Class C and common ..... | 148,970     | 144,470     |
| Per share (i) .....                           | .24         | .24         |

## FINANCIAL POSITION

|   |             |             |
|---|-------------|-------------|
| <i>At year ends</i>                             |             |             |
| Working Capital .....                           | \$4,581,304 | \$4,591,618 |
| Current ratio .....                             | 1.50        | 1.57        |
| Shareholders' equity — Class C and common ..... | 5,362,698   | 5,083,355   |
| Per share .....                                 | 7.96        | 7.54        |

## OTHER DATA

|   |         |         |
|---|---------|---------|
| <i>At year ends</i>                                     |         |         |
| Number of shares outstanding — Class C and common ..... | 673,835 | 673,835 |

- (i) Stock dividends declared on the Class C shares are equivalent to the cash dividends declared on the common shares after consideration of the 15% tax paid by the Company on undistributed income.

# to our shareholders



The 1971 fiscal year was one of contrasts for your company. Order demand for the Greb product range was soft until the fourth quarter whereas demand for our Bauer products was strong throughout the year to the point where we were unable to increase our production fast enough to satisfy the demand. As a result, our net profit, which was considerably below average for each of the first three quarters of the year, finally rose for the fourth quarter to the highest level we have experienced since 1968.

Net sales for our fiscal year ended October 30, 1971 were 6.7% above the previous year to a new company record of \$22,613,233. Net income after taxes for the 1971 fiscal year of \$469,063 was 1.6% below the previous year.

Although net earnings for 1971 were \$7,462 below 1970, these figures are after absorbing non regular operating expenditures of \$163,945 compared to \$24,398 in the previous year. The 1971 non regular operating expenditure was the highest in the company's history and, as previously reported, was expended mainly on the following major projects: relocation of our skate blade manufacturing plant and a portion of our

Bauer outfit manufacturing facility to increase productive capacity; and consulting fees to improve our forecasting, scheduling and inventory control systems. There were also significant indirect costs attributable to these projects which were absorbed in our regular operating accounts. Benefit from these changes will be felt in our current year, while our 1972 expenditure for non regular operating costs has been budgetted at a more normal level.

Net earnings per Class C and common share for 1971 were 65¢, after provision for preference share dividends, compared to 67¢ in the previous year.

Investment in plant, machinery and equipment during the year amounted to \$549,000 net, compared with \$282,000 last year. Of this 1971 total, \$173,000 was invested in land and buildings, \$275,000 in manufacturing machinery, dies and lasts, and \$101,000 in transportation, warehouse and office equipment. The land and buildings expenditure covered mainly alterations to an owned building to accommodate the relocation of our skate blade manufacturing plant and the purchase of a 28,000 square foot existing building in Kitchener to centralize our raw material warehousing.

Our operating results during the period since the 1971 year end are continuing the favourable trend established in the fourth quarter, with both sales and earnings running at a higher level.

A more detailed review of the year will be found elsewhere in this report, along with comments on significant developments in our major operating areas.

We are grateful for the loyalty and support during the past year of our management team, employees, customers, suppliers and shareholders.

A handwritten signature in dark ink, appearing to read 'Harry D. Greb'. The signature is stylized with a large, sweeping 'G' at the end.

Kitchener, Ontario  
January 31, 1972

Harry D. Greb  
President

# greb industries limited and

## CONSOLIDATED STATEMENT OF INCOME

Year ended October 30, 1971

(with comparative figures for 1970)

|   | <u>1971</u>      | <u>1970</u>      |
|---|------------------|------------------|
| Net sales .....   | \$22,613,233     | \$21,187,833     |
| Income before undernoted items .....  | <u>2,009,644</u> | <u>1,872,402</u> |
| Aggregate direct remuneration of directors and senior officers<br>(as defined by The Business Corporations Act, 1970) ..... | 193,940          | 188,770          |
| Depreciation .....  | 442,970          | 412,227          |
| Interest on long term debt .....  | 215,625          | 229,382          |
| Other expenses – not regular operating costs .....  | 163,945          | 24,398           |
|   | <u>1,016,480</u> | <u>854,777</u>   |
| Income before income taxes .....  | <u>993,164</u>   | <u>1,017,625</u> |
| Income taxes  |                  |                  |
| Current .....   | 518,687          | 552,793          |
| Deferred (reduction) .....  | 5,414            | (11,693)         |
|   | <u>524,101</u>   | <u>541,100</u>   |
| Net income for the year .....   | \$ 469,063       | \$ 476,525       |
| Net income per share, after provision for preference dividends .....  | <u>65¢</u>       | <u>67¢</u>       |

## CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Year ended October 30, 1971

(with comparative figures for 1970)

|  | <u>1971</u>      | <u>1970</u>      |
|--|------------------|------------------|
| Balance at beginning of year .....   | \$ 3,086,855     | \$ 2,804,550     |
| Net income for the year .....  | <u>469,063</u>   | <u>476,525</u>   |
|  | <u>3,555,918</u> | <u>3,281,075</u> |
| Deduct   |                  |                  |
| Cash dividends   |                  |                  |
| Class A preference shares .....  | 28,000           | 28,000           |
| Class C shares .....   | 35,000           | 5,000            |
| Common shares .....  | 41,720           | 41,720           |
|  | <u>104,720</u>   | <u>74,720</u>    |
| Stock dividends of 361,250 (488,750 in 1970) Class B shares on<br>Class C shares ..... | 72,250           | 97,750           |
|  | <u>176,970</u>   | <u>172,470</u>   |
| Tax paid on undistributed income .....   | 12,750           | 21,750           |
|  | <u>189,720</u>   | <u>194,220</u>   |
| Balance at end of year .....   | \$ 3,366,198     | \$ 3,086,855     |

# subsidiary companies

## CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended October 30, 1971

(with comparative figures for 1970)

|  | <u>1971</u>         | <u>1970</u>         |
|--|---------------------|---------------------|
| <b>SOURCE OF FUNDS</b>   |                     |                     |
| Operations   |                     |                     |
| Net income for the year .....  | \$ 469,063          | \$ 476,525          |
| Items not involving current funds                                      |                     |                     |
| Depreciation .....   | 442,970             | 412,227             |
| Deferred income taxes .....  | 5,414               | (11,693)            |
|  | <u>917,447</u>      | <u>877,059</u>      |
| Sale of fixed assets .....   | 16,628              | 8,723               |
| Increase in insurance policy loans .....                               |                     | 13,424              |
|  | <u>934,075</u>      | <u>899,206</u>      |
| <b>APPLICATION OF FUNDS</b>  |                     |                     |
| Additions to fixed assets .....  | 566,078             | 290,431             |
| Dividends .....  | 176,970             | 172,470             |
| Principal on long term debt, reclassified under current liabilities... | 179,000             | 179,000             |
| Tax paid on undistributed income .....                                 | 12,750              | 21,750              |
| Increase in life insurance, cash surrender value .....                 | 9,591               | 7,510               |
|  | <u>944,389</u>      | <u>671,161</u>      |
| <b>INCREASE (DECREASE) IN WORKING CAPITAL.....</b>                     | <b>(10,314)</b>     | <b>228,045</b>      |
| Working capital at beginning of year .....                             | <u>4,591,618</u>    | <u>4,363,573</u>    |
| Working capital at end of year .....                                   | <u>\$ 4,581,304</u> | <u>\$ 4,591,618</u> |

# Grebb Industries Limited and

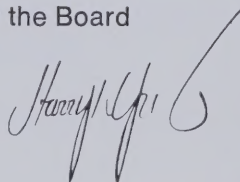
(Incorporated under the laws of Ontario)

## CONSOLIDATED BALANCE SHEET — OCTOBER 30, 1971

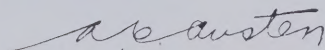
(with comparative figures at October 31, 1970)

| ASSETS   | <u>1971</u>         | <u>1970</u>         |
|--|---------------------|---------------------|
| <b>CURRENT ASSETS</b>  |                     |                     |
| Accounts receivable .....  | \$ 7,253,310        | \$ 6,671,330        |
| Inventories  |                     |                     |
| Raw materials, at the lower of cost and replacement cost .....       | 1,936,186           | 1,670,839           |
| Work in process, at the lower of cost and net realizable value ..... | 689,201             | 564,876             |
| Finished goods, at the lower of cost and net realizable value .....  | 3,772,083           | 3,642,721           |
| Prepaid expenses .....   | 184,012             | 116,127             |
|  | <u>13,834,792</u>   | <u>12,665,893</u>   |
| <b>OTHER ASSETS</b>  |                     |                     |
| Life insurance, cash surrender value, less policy loans of           |                     |                     |
| \$158,263 (in 1971 and 1970) .....                                   | 32,011              | 22,420              |
| Investment in subsidiary company, at cost (note 1) .....             | 51,055              | 51,055              |
|  | <u>83,066</u>       | <u>73,475</u>       |
| <b>FIXED ASSETS, at cost</b>   |                     |                     |
| Land .....   | 205,929             | 194,932             |
| Buildings .....  | 3,095,895           | 2,951,827           |
| Machinery and equipment .....  | 2,914,664           | 2,694,772           |
| Dies, lasts, patterns and moulds .....                               | 365,024             | 856,700             |
|  | <u>6,581,512</u>    | <u>6,698,231</u>    |
| Less accumulated depreciation .....                                  | 2,621,330           | 2,844,529           |
|  | <u>3,960,182</u>    | <u>3,853,702</u>    |
|  | <u>\$17,878,040</u> | <u>\$16,593,070</u> |

Approved by the Board



Director



Director

# subsidiary companies

| LIABILITIES   | <u>1971</u>                | <u>1970</u>                |
|---|----------------------------|----------------------------|
| <b>CURRENT LIABILITIES</b>  |                            |                            |
| Bank advances, against which receivables and inventories have<br>been pledged ..... | \$ 7,048,080               | \$ 5,995,458               |
| Accounts payable and accrued liabilities .....                                      | 1,747,613                  | 1,622,081                  |
| Income and other taxes payable .....  | 242,865                    | 241,806                    |
| Dividends payable .....   | 35,930                     | 35,930                     |
| Principal due within one year on long term debt .....                               | 179,000                    | 179,000                    |
|   | <u>9,253,488</u>           | <u>8,074,275</u>           |
| <br>LONG TERM DEBT (note 2) .....   | <br><u>2,351,000</u>       | <br><u>2,530,000</u>       |
| <br>DEFERRED INCOME TAXES .....   | <br><u>350,854</u>         | <br><u>345,440</u>         |
| <br><b>SHAREHOLDERS' EQUITY</b>   |                            |                            |
| Capital stock (note 3) .....  | 2,556,500                  | 2,556,500                  |
| Retained earnings .....   | 3,366,198                  | 3,086,855                  |
|   | <u>5,922,698</u>           | <u>5,643,355</u>           |
| <br><b>COMMITMENTS (note 4)</b>   |                            |                            |
|   | <u><u>\$17,878,040</u></u> | <u><u>\$16,593,070</u></u> |

# Grebb industries limited and

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended October 30, 1971

### 1. SUBSIDIARY COMPANIES AND BASIS OF CONSOLIDATION

The subsidiary companies consolidated in these financial statements are Greb Shoes Limited, Greb Realty Limited, The Western Shoe Company Limited, The Canada Skate Manufacturing Company Limited, Bauer Canadian Skate, Inc., The Tebbutt Shoe and Leather Company (Limited) and Collins Safety Shoes Limited.

The accounts of Bauer Canadian Skate, Inc. have been converted into Canadian currency on the following basis: current assets, liabilities and operating accounts except depreciation, at a rate of exchange of \$1.00 (\$1.02 in 1970) and fixed assets and depreciation, at par of exchange.

As in prior years, the accounts of Metro Marine Limited, a controlled company, are not consolidated because its operations are dissimilar. The company's proportion of the net income of Metro Marine Limited for the year ended December 31, 1970 amounted to \$2,394 and the accumulated net income since acquisition, which amounted to \$18,879, is not reflected in the company's financial statements.

### 2. LONG TERM DEBT

|   | 1971                | 1970                |
|---|---------------------|---------------------|
| 6¾% Secured sinking fund debentures, Series A, maturing November 15, 1981 ..... | \$ 690,000          | \$ 752,000          |
| 7% Secured sinking fund debentures, Series B, maturing November 15, 1981 .....  | 490,000             | 532,000             |
| 9% Secured sinking fund debentures, Series C, maturing May 15, 1989 .....       | 1,350,000           | 1,425,000           |
|   | <u>2,530,000</u>    | <u>2,709,000</u>    |
| Less principal included in current liabilities .....                            | 179,000             | 179,000             |
|   | <u>\$ 2,351,000</u> | <u>\$ 2,530,000</u> |

Under provisions of the debenture trust deed and supplementary debenture trust deeds, the company is obligated to set aside amounts sufficient to retire out of sinking fund moneys, \$62,000 principal amount of Series A debentures and \$42,000 principal amount of Series B debentures, on November 15 in each year up to and including 1980 and \$75,000 principal amount of Series C debentures on May 15 in each year up to and including 1988.

Under provisions of the debenture trust deeds for Series A and Series B, the company may redeem the whole or any part of the Series A or Series B debentures outstanding up to November 15, 1981, at amounts varying from 109.00% to 100.00% of the principal amount redeemed.

Under provisions of the debenture trust deeds for Series C, the company may redeem the whole or any part of the Series C debentures outstanding on or after May 15, 1974 and up to May 15, 1989, at amounts varying from 107.00% to 100.00% of the principal amount redeemed.

The debenture trust deeds contain certain restrictions relating to the payment of dividends.

### 3. CAPITAL STOCK

#### Authorized

|           |   |                     |                     |
|-----------|---|---------------------|---------------------|
| 31,200    | Class A preference shares, par value \$100 per share, issuable in series  |                     |                     |
| 5,898,380 | Class B non-cumulative redeemable shares, par value 20¢ per share (after giving effect to the issue and redemption of 361,250 shares during the year) |                     |                     |
| 716,500   | Class C participating shares without par value convertible into an equal number of common shares  |                     |                     |
| 1,533,500 | Common shares without par value   |                     |                     |
| Issued    |   | 1971                | 1970                |
| 5,600     | 5% Cumulative redeemable Class A preference shares, first series .....  | \$ 560,000          | \$ 560,000          |
| 500,000   | Class C shares .....  | 487,162             | 487,162             |
| 173,835   | Common shares .....   | 1,509,338           | 1,509,338           |
|           |   | <u>\$ 2,556,500</u> | <u>\$ 2,556,500</u> |

### 4. COMMITMENTS

The company has undertaken to contribute past service pension costs of \$27,124 per annum for the next nine years, \$8,556 for a subsequent two years, and \$2,177 in the final year, which amounts will be charged against income as paid.

### 5. SUBSEQUENT EVENTS

Subsequent to the balance sheet date certain reorganizations of the subsidiary companies have taken place. Such reorganizations have no effect on the consolidated financial position of the companies.

## AUDITORS' REPORT

To the Shareholders of Greb Industries Limited

We have examined the consolidated balance sheet of Greb Industries Limited and subsidiary companies as at October 30, 1971 and the consolidated statements of income, retained earnings and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at October 30, 1971 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Kitchener, Ontario  
December 30, 1971

*Thorne, Gumm, Helliwell & Christenson*  
Chartered Accountants

# subsidiary companies

## 10 YEAR CONSOLIDATED OPERATING AND FINANCIAL REVIEW

Figures in thousands except per share data

| Years ended                                   | 1971     | 1970     | 1969     | 1968     | 1967     | 1966     | 1965     | 1964     | 1963     | 1962     |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>OPERATING RESULTS</b>                      |          |          |          |          |          |          |          |          |          |          |
| Net sales .....                               | \$22,613 | \$21,188 | \$20,483 | \$18,795 | \$17,363 | \$16,193 | \$11,230 | \$ 9,913 | \$ 8,643 | \$ 6,303 |
| Income before undernoted items ..             | 1,816    | 1,684    | 1,583    | 1,859    | 1,727    | 1,833    | 1,181    | 1,096    | 784      | 446      |
| Depreciation .....                            | 443      | 412      | 389      | 315      | 266      | 223      | 118      | 83       | 71       | 112      |
| Interest on long term debt .....              | 216      | 229      | 146      | 112      | 116      | 122      | 81       | 85       | 22       | 17       |
| Non regular operating expenses (income) ..... | 164      | 25       | 97       | 36       | 45       | (21)     | 42       | 3        | 78       | 69       |
| Income taxes .....                            | 524      | 541      | 486      | 729      | 656      | 766      | 462      | 474      | 285      | 111      |
| Net income .....                              | 469      | 477      | 465      | 667      | 644      | 743      | 478      | 451      | 328      | 137      |
| Total dividends declared .....                | 177      | 172      | 320      | 320      | 318      | 233      | 46       | 46       | 27       | 2        |

### FINANCIAL POSITION AT YEAR END

|                          |          |          |          |          |          |          |          |          |          |        |
|--------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|--------|
| Working capital .....    | \$ 4,581 | \$ 4,592 | \$ 4,364 | \$ 3,331 | \$ 3,801 | \$ 4,060 | \$ 2,958 | \$ 1,648 | \$ 1,568 | \$ 307 |
| Current ratio .....      | 1.50     | 1.57     | 1.55     | 1.45     | 1.60     | 1.82     | 1.62     | 1.70     | 1.83     | 1.14   |
| Fixed assets (net) ..... | 3,960    | 3,854    | 3,984    | 3,603    | 2,773    | 2,169    | 1,379    | 907      | 570      | 536    |
| Long term debt .....     | 2,351    | 2,530    | 2,709    | 1,388    | 1,492    | 1,596    | 1,700    | 1,154    | 1,154    | 258    |
| Shareholders' equity —   |          |          |          |          |          |          |          |          |          |        |
| Class C and common ..... | 5,363    | 5,083    | 4,801    | 4,742    | 4,509    | 4,117    | 2,172    | 1,144    | 740      | 438    |
| Shares outstanding —     |          |          |          |          |          |          |          |          |          |        |
| Class C and common ..... | 674      | 674      | 674      | 674      | 674      | 674      | 539      | 505      | 505      | 505    |

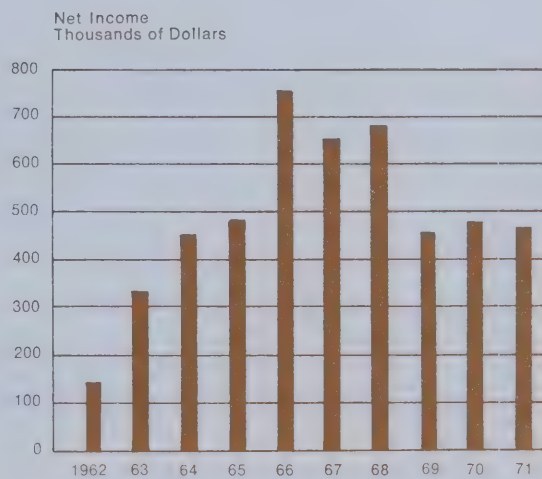
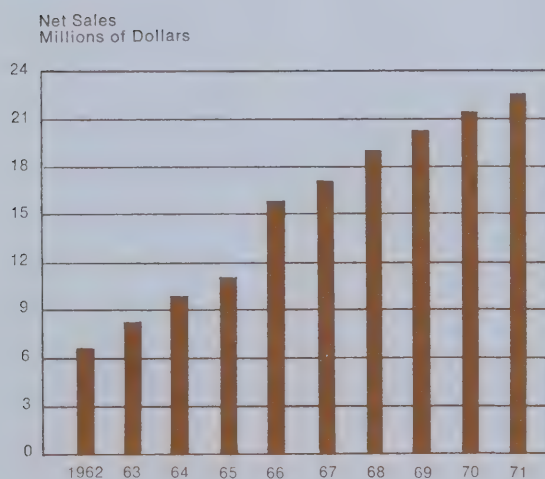
### PER SHARE IN DOLLARS — CLASS C AND COMMON

|                            |        |        |        |        |        |                   |        |        |        |        |
|----------------------------|--------|--------|--------|--------|--------|-------------------|--------|--------|--------|--------|
| Net income .....           | \$ .65 | \$ .67 | \$ .65 | \$ .95 | \$ .91 | \$ 1.06           | \$ .85 | \$ .85 | \$ .65 | \$ .27 |
| Dividends declared .....   | .24    | .24    | .48    | .48    | .48    | .33 $\frac{3}{4}$ | .05    | .05    | .05    |        |
| Shareholders' equity ..... | 7.96   | 7.54   | 7.12   | 7.04   | 6.69   | 6.11              | 4.03   | 2.27   | 1.47   | .86    |

The above 10 year review includes -

The following companies from date of acquisition - The Western Shoe Company Limited, The Canada Skate Manufacturing Company Limited and Bauer Canadian Skate, Inc. as of October 29, 1965, The Tebbutt Shoe and Leather Company (Limited) as of October 31, 1966, and Collins Safety Shoes Limited as of June 18, 1969.

Adjustment of shares outstanding to reflect a capital stock subdivision and reclassification into Class C and common on February 18, 1966.



# operating progress

## Hush Puppies

The Company's principal product group, "Hush Puppies", maintained its position in 1971 as the largest-volume casual shoe brand in the Canadian footwear industry. Although total pairage sales declined compared with the previous year, it is believed this decline is not due to any waning popularity for this brand, but rather to confusion in the minds of consumers and retailers alike between the appeal of traditional "Hush Puppies" and the attraction of new Seventies styling in casual wearing apparel. Even though the familiar styles of "Hush Puppies" — some of which have been in the line for several years — still account for a major

volume of sales, it became clear during the year that the more colourful, bolder-line styles drew the interest of the younger age groups.

Therefore product styling for 1972 will feature a broad range of new colour and design treatments departing dramatically from accepted "Hush Puppies" appearance and deliberately aimed at the 16-25 age group, broadly speaking. These "New Generation" Hush Puppies will be unveiled to consumers in Spring '72 through a strong television campaign, employing such expressions as "Get your head into Hush Puppies" and contemporary music. Initial retailer response to these new styles and the promotion program has been enthusiastic.





As forecast, the Bauer skate division achieved vigorous sales growth again this year. The only limiting factor was the ability of our productive capacity to meet the increased consumer demand which reached record levels in the U.S. market. Both our skate blade and boot manufacturing plants were expanded during the year in order to fully capitalize on this growth in the future. Bauer continued to work closely with all teams in the National Hockey League, where at least half the players wear our skates. Bauer is "the official skate of the National Hockey League".

By year's end, Bauer's continuing program of

product development had produced three new advances in skate design to be incorporated in the '72 range. At the top end of the line, a new Bauer "Supreme" model has been developed with synthetic components replacing leather, which results in a weight-saving of up to ten ounces per pair — a significant factor to professional hockey players. The first functional advance in goal-keepers' skates in many years has been achieved with the introduction of a high-impact shell and re-designed interior boot. And another innovation — with revolutionary possibilities throughout the entire range of Bauer skates — is the new adhering tab closure system to replace conventional laces. This sys-



tem permits the wearer to readily select the desired foot comfort-pressure at any of the tabs, and offers parents a fast-on, fast-off method for their youngsters' skates.

Bauer continued to expand its activities in other areas of sport during '71, most notably with the introduction of the "Duguid" line of curling shoes, developed exclusively by Bauer in co-operation with world curling great, Don Duguid. Acceptance by curlers, in this initial season, has been enthusiastic and volume sales are anticipated next season as the popularity of this unique shoe spreads in both Canada and the U.S.A.

## PAGANOS

During its introductory year, this line of men's dress shoes in the middle price range received an indecisive reception from the retail trade and consumers. Another year of promotion for this line, against admittedly strong competition from imports, should indicate future prospects. The line has been strengthened by the addition of seven styles which contrast interestingly with the Continental styling of the original group.

andré

New developments in this electronic-vinyl process by the licensing company, Chaussures

André of France, and our ability to digest them, have caused a delay in production for the Canadian market. Test marketing for these shoes through a major retailer is now scheduled for late Spring '72. The André process remains in the forefront of world-wide developments in this type of shoe-upper manufacturing, and the delay permits Greb to adopt the latest techniques and as a result offer a superior product.

## KODIAK

Although this famous name has not shared in the volatile success and glamour of some other Greb lines, boots manufactured under this label continue to contribute a substantial share of total sales.

The Kodiak vulcanized range of footwear, which includes the waterproof sportsmen's boot, sold in Canada and the United States, as well as other traditional processes, secured a good sales growth in 1971.

During the year a substantial government contract was received for a new version "combat boot" for the Canadian Armed Forces. This contract, produced in our vulcanizing plant, was 80% complete by the end of the fiscal year.

Greb continues to produce a large share of all steel-toe "safety" shoes and boots sold in Canada, and this market is expanding at an encouraging rate as industry pursues more safety-conscious policies.



